



ANNOUNCEMENT

TO: Australian Stock Exchange
New Zealand Stock Exchange

FROM: Tag Pacific Limited

DATE: 27 September 2004

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SHARE TOP-UP PLAN

Tag Pacific Limited has announced a Share Top-up Plan under which each existing Tag shareholder on the register at 5pm (Sydney time) on 27 September 2004 may purchase up to A\$5,000 of Tag ordinary shares without brokerage or transaction costs.

Commenting on the Share Top-up plan, Tag Chairman Mr Peter Wise said : *"Although Tag is an Australian company with an Australian shareholder base, a large number of Tag's shareholders reside in New Zealand. As a consequence, trading in Tag shares is split between the ASX and the NZX. The company is aware that because of this and because of a general shortage of Tag shares from time to time, it can at times be difficult for shareholders to increase their Tag shareholding economically"*.

The company recently made a share buy-back facility available to assist small shareholders dispose of their shares. The vast majority of eligible shareholders opted to retain their shareholding.

The price at which Tag ordinary shares will be issued under the Share Top-up Plan is A\$0.27, being a discount of 7% to the average market price calculated over the last 5 days on which trades in Tag ordinary shares occurred on the ASX prior to this announcement.

Mr Wise noted that participation in the plan is entirely voluntary and that shareholders could apply for a parcel of Tag ordinary shares valued at A\$500 or any multiple of A\$500 up to a maximum of A\$5,000. Funds raised will be used to increase Tag's cash reserves. The plan will be available in New Zealand currency to cater to the requirements of Tag's New Zealand shareholders.

Key features of the plan, terms and conditions and application forms will be mailed to shareholders in the coming days and the plan will remain open until 29 October 2004.

ENDS

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